STATE OF KANSAS

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Employers Will Pay Lower Unemployment Tax in 2019

TOPEKA, KAN. – Secretary of Labor Lana Gordon today announced that Kansas' Unemployment Insurance (UI) Trust Fund reached a positive balance surpassing \$800 million in July, representing a full solvency level and recovery from the depths of the Great Recession. With this solvency level, most Kansas employers will pay reduced unemployment tax rates in 2019 for the first time since major unemployment reforms were enacted in 2014.

The UI Trust Fund is administered by the Kansas Department of Labor (KDOL) and is solely used to pay UI benefits to eligible workers. It is financed by Kansas employers that are covered under the program. "This safety net for workers who lose work through no fault of their own is very important to preventing economic insecurity," Secretary of Labor Lana Gordon said. "Thanks to the contributions of Kansas employers and the strength of the Kansas economy, the Trust Fund is solvent."

The Kansas UI Trust Fund was depleted during the Great Recession, triggering borrowing from the federal government. Kansas quickly repaid its debt and enacted a series of UI reforms that promoted greater protection from fraud and abuse of the system.

"The UI Trust Fund has been on the right trajectory for the past eight years," Gordon said, "and we look forward to continued job growth in Kansas."

Kansas employers should receive their 2019 tax notices with reduced rates in the mail within the next week. More information on the UI Trust Fund can be found on the Kansas Labor Information Center (KLIC) at KLIC.dol.ks.gov and clicking on "Unemployment Insurance Data and Information."

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The Kansas Department of Labor assists in the prevention of economic insecurity through unemployment insurance and workers compensation, by providing a fair and efficient venue to exercise employer and employee rights, and by helping employers promote a safe work environment for their employees. This facilitates compliance with labor laws while enabling advancement of the economic well-being of the citizens of Kansas.

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